

Breakfast centers on Talbot's businesses, economic state

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EASTON — The Talbot County Office of Economic Development's Business Appreciation Breakfast on Friday, April 24, was full of talks about the county's economic history, present and future.

The county's economic development commission was busy over the past two years, the commission's chairman, Geoff Oxnam, vice president of operations at Easton Utilities, said.

Though the county lost defense contractor Sotera, formerly in the old Black & Decker building at state Route 322 and Glebe Road, Easton was successful in modifying a tax on business personal property that enabled another large employer — Aphena Pharma Solutions — to stay in town and stage itself for future growth.

The economic development commission also worked with the county council to revise the county's real property tax credit, Oxnam said, adding that it expands the tool to support businesses that want to invest in capital projects and hire employees.

Keynote speaker of the breakfast, Maryland Department of Business and Economic Development Secretary Mike Gill, said business retention should be at the top of any county's priority list.

Talbot County was Gill's first stop around the state. He's visiting counties, meeting with people and plans to listen in on what the counties' officials believe are their needs.

Paige Bethke, director of the Talbot County Office of Economic Development, said Talbot County's industry sectors are small, with a base of 1,624 businesses recorded in 2014, "so every little win or loss is big."

Tourism accounts for a large portion of Talbot County's economy, Bethke said, with the hospitality industry being the county's second-largest employment base with 2,894 workers, right behind



Talbot business appreciation breakfast

Maryland Department of Business and Economic Development Secretary Mike Gill speaks at the Talbot County Office of Economic Development Business Appreciation Breakfast on Friday, April 24. Gill said, "In the case of the Eastern Shore, I like its chances" for future economic development.

education and health care services.

"One of the beautiful things about that (tourism) is it brings new people into the area to see all the exciting things going on," Gill said. "And you never know ... when some wealthy guy who sold the company, he's a member of Talbot Country Club, he's still young and dynamic in different ways and he says to some company ... you should look at Talbot County. You never know where it's going to come from."

Housing is critical in expanding the economic base, Bethke said, saying there's a lot of high-end waterfront property and not enough affordable workforce housing. However, the county established an affordable housing committee, which will look to address how to accommodate workers for businesses that wish to work in Easton.

"One of the biggest challenges in 2014 was to match our available workforce with the skill requirements of our employers," Bethke said.

In 2014, Talbot County had an average civilian labor force of about 18,300, and an employee base of about 17,200, representing an influx of more than 1,000 workers every day to the county, Bethke said.

"But over 5.9 percent of those ... people are unemployed, or an average of 1,092 people who are not working," Bethke said. "In a county of 40,000, this may be an encouraging economic indicator, but if we have people who want to work and they are not working, we are underperforming."

Bethke said, at the end of the day, Talbot County's economy is on "good footing and strong."

Talbot County Council member and council liaison to the economic development commission Jennifer Williams said the county is aware it must invest in its infrastructure to prepare for its future.

Williams said the county's budget projections — a \$78 million budget — are based "upon an economy that continues to be sporadic in its recovery."

She said the county has the lowest real property tax rate and the second lowest income tax rate in Maryland.

"This is a position we're very proud of, but that the same time we have concerns it may not support the ... services over time in the future," Williams said.

Gill said it's valuable for a county to develop a niche — finding an industry to focus on — like the "richness in health care" in Talbot County. Once a core industry like health care develops, then other industries that support it get stronger, he said.

One of the things the Eastern Shore region has going for it, Gill said, is it has a great culture.

"The people, they're in to what they do. They do business with each other. They care about their

community and they want it to go to the next level, but once again, there's no one thing that can happen in Easton, or Queenstown or Cambridge — there's not one thing that can happen and the world changes," Gill said.

In that respect, Gill said it's important that businesses and industries, local government officials and other stakeholders work together and try to better the economic situation.

The Eastern Shore's core industries — agriculture, health care, tourism — will remain important for its future economy, Gill said.

"I like the chances of this region to keep growing and do good things," Gill said.

Bethke at the breakfast on Friday hinted at future economic growth coming to Talbot County.

"We have responded to several expressions of interest in Talbot County from prospects, representing greenhouse production, agriculture, aquaculture, sports venues, hotels and several expansion projects," Bethke said. "We believe many of these will come to fruition in 2015."

Several businesses were honored at the breakfast on Friday.

Those honored for celebrating 50 years of continuous operation in Talbot County included Chesapeake College, Chesapeake Bay Maritime Museum, Cutts & Case Shipyard, Talbot County Chamber of Commerce, The Crab Claw Restaurant, the Oxford Museum, St. Michaels Museum and Tyler Contracting Services Inc.

Several awards were also distributed during a ceremony at the breakfast.

Talbot County's award for innovation went to the Philips Wharf Environmental Center; the award for expansion in the county went to Quality Health Strategies Inc.; the award for investment went to The Inn at Perry Cabin by Belmond; and the county's award for agriculture went to the Councell family of Councell Farms.

For awards given by the county's towns, Easton recognized *The Star Democrat* for being in operation for more than 200 years; Oxford recognized Cutts & Case Shipyard; St. Michaels recognized the Chesapeake Bay Maritime Museum; and Trappe recognized Salon Inspire.